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STUDY ON THE ADDED VALUE OF NON-FINANCIAL REPORTING FOR THE FINANCIAL PERFORMANCE OF ORGANISATIONS

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Abstract
This paper is in line with current trends in corporate communication and starts from a central question: to what extent does ESG non-financial reporting contribute to improving financial performance? The research proposes an applied analysis of companies listed on the Bucharest Stock Exchange, with the aim of identifying the role of non-financial reporting in consolidating a coherent and responsible image. At the same time, it seeks to establish a possible correlation between the quality of these reports and the financial performance of companies. The paper integrates the financial and non-financial dimensions to highlight how specific factors of sustainable behaviour influence the strategy and competitiveness of organisations.

Keywords: *Financial performance, non-financial performance, sustainable behaviour.*

JEL Classification: O2, M41

INTRODUCTION

Performance means that an economic entity carries out its activity efficiently, so that it obtains added value that will position it ahead of the competition. For a long time, companies have focused their attention on economic objectives in order to satisfy, first and foremost, the needs of shareholders in terms of achieving the highest possible financial return. This business strategy, focused on a single objective, worked well for a long time until it became apparent that the opinions of other stakeholders (customers, employees, suppliers, creditors, government institutions, community) is just as important as that of shareholders and has a significant influence on the performance of the enterprise. Currently, stakeholders (customers, employees, suppliers, creditors, government institutions, the community) are placing increasing emphasis on the long-term sustainability of businesses, as the environmental problems facing contemporary society no longer allow businesses to operate in an irrational manner with a single interest, namely profit.

In today's business environment, sustainability has become a concept that dictates business strategies and influences how a company is perceived by society and its partners. A sustainable company is currently associated with protecting the environment in which it develops and operates, so that its actions are focused on supporting a policy against pollution and combating climate change, which will ensure a favourable environment for future generations. More and more companies are including information on their environmental impact, social policies and ethical practices in their documents, but it remains to be seen whether this information is truly relevant, credible and useful for the decision-making process of stakeholders.

The purpose of this study is to provide an overview of the interdependence between financial performance and sustainable behaviour. The paper integrates the financial and non-financial dimensions to highlight how specific factors of sustainable behaviour influence managerial decisions. The objectives proposed to achieve this goal are:

O1: Calculating and interpreting financial indicators, as financial performance is an essential pillar in the evaluation of companies;

O2: Presentation of ESG indicators and their subsequent interpretation by sector of activity;

O3: Bringing together the interpretation of ESG results, providing an overview of how the analysed companies, from relevant economic sectors, position themselves from a sustainability perspective.

O4: Investigating the relationship between financial indicators (ROE, ROA, debt ratio) and non-financial indicators.

Reporting is no longer just about figures and balance sheets – it increasingly reflects responsibility towards society, the environment and governance. Long-term financial performance is inseparable from non-

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financial impact, and organisations are beginning to understand that sustainable transparency is no longer optional. In an ever-changing economic and social climate, standards are evolving and an integrated approach is becoming the new benchmark.

I. LITERATURE REVIEW

Every company, regardless of the economic sector it belongs to, wants to be successful, and success is closely related to performance. In the literature, performance is presented through a set of various dimensions used by companies to calculate the added value that makes the economic entity competitive and sustainable, such as: "quality, cost, financial performance, flexibility, delivery reliability, employee satisfaction, customer satisfaction, safety, environment/social performance, learning and growth" (Ishaq Bhatti et all., 2017).

Financial reporting is the main tool for communicating financial performance. Through a standardised regulatory framework, reporting aims to ensure transparency, comparability and informational relevance, reducing imbalances between the parties involved in the decision. At the same time, financial reporting is "a key pillar in reducing information asymmetry and friction in financial markets, thereby contributing to their transparency and efficiency" (Kazimieras & Antucheviciene, 2019). Studying the financial performance of listed companies is essential for understanding how corporate social responsibility (CSR) activities influence economic results (Andreev et al., 2022). In a context marked by intense competition and increasing pressure from stakeholders, financial performance analysis allows for the evaluation of the effectiveness of investments in social and environmental actions.

For publicly traded companies, performance measurement is particularly important because the goal of every investor is to make a profit, and better performance will provide a higher return, which is why they will choose to invest their capital in the best-performing entities (Handayani et al., 2020). In a market economy, companies need investors to survive, which is why they must produce the highest possible financial performance so that the market price of their shares reaches the highest and most attractive values for potential investors. Financial reporting, in its traditional form, does not provide an accurate picture of an entity's ability to generate sustainable value, which is why non-financial approaches are becoming not only complementary but essential to the information architecture. The absence of data on sustainability, governance and social impact affects stakeholders' ability to assess extra-financial risks and anticipate the entity's ability to generate long-term value (Adams, 2017).

Non-financial reporting refers to the provision of information on issues that are not directly related to financial performance but are essential for assessing an organisation's sustainability, social responsibility and governance. In an increasingly complex economic and social context, it complements financial reporting by providing a broader view of an organisation's impact. It is becoming increasingly clear that the future does not belong to fragmented reporting, but to integrated information ecosystems where financial and non-financial data work complementarily. In recent years, implementing a performance management system in companies that integrates the issues and challenges of sustainable development and social responsibility has become a less risky project. Sustainable development "consists of actions that improve economic growth and the long-term profitability of businesses" (Tien & all., 2020), but economic entities should not limit themselves to this, as corporate sustainability also refers to companies' responsibility towards the environment, while also including social practices. Social performance analysis highlights the fact that it does not depend exclusively on traditional financial indicators, but is deeply influenced by non-financial factors such as human capital development, company size and investments in environmental protection (Macovei et al., 2024).

The definition of sustainability appears in various forms in the literature, but most often, authors such as Luczak & Just (2021); Hudtohan (2021); Piwowar-Sulej (2022); Khan et al. (2021) argue that "sustainable development is where the needs of the present are met without compromising the ability of future generations to meet their own needs." This definition is usually perceived in an abstract way by management, as it is difficult to implement these objectives in practice, considering that there are no predefined indicators to help measure corporate sustainability. Under these circumstances, many companies refrain from investing in corporate sustainability because they have no assurance that the investment will translate into future results, and in some cases, environmental practices have been shown to have a negative impact on financial performance because they require additional resources (Henao & Sarache, 2022).

The literature highlights an increasingly clear link between companies' financial performance and the integration of ESG sustainability criteria. For example, Lee, Raschke and Krishen (2023) conducted a meta-analysis showing that in most cases, investments in sustainable practices are positively correlated with financial performance. In addition, a study published in the CAFR Journal by Fometescu and Hațegan (2024) indicates that ESG scores are significantly explained by financial indicators ( ). Another study (Socoliuc et al., 2020) focuses on the analysis of financial performance indicators of companies operating in the fields of forestry and logging, as well as their effects on sustainable development, given the priorities set in the EU.

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Scientists (Vaio & Varriale, 2020) mention that the orientation of companies towards sustainability will generate some changes within the organisation that will target the field of accounting and business reporting. In terms of accounting, corporate sustainability brings a new vision, namely environmental reporting, which will involve the inclusion of a series of non-financial indicators in annual reports, with the aim of providing a sustainable image to stakeholders who exert a significant influence on the new sustainable strategies adopted by companies. Companies that have integrated sustainability into their business strategy and communicated it effectively have been perceived by investors as being better prepared for future risks and opportunities. Some specialists, such as Kantabutra & Ketprapakorn (2020), argue that the social, economic and environmental dimensions, referred to in specialist studies as the TRIPLE BOTTOM LINE (TBL), are necessary for entities to measure corporate sustainability performance.

II. MATERIAL AND METHOD

This study aims to examine the relationship between the financial and non-financial indicators of the companies analysed. The methodology used is data analysis and interpretation: both qualitative, based on the interpretation of information gathered from public sources, and quantitative, namely statistical data analysis. With regard to the proposed sample, a first criterion in its selection was the BET-20 (Bucharest Exchange Trading Index – 20) index, a specific index for companies listed on the Bucharest Stock Exchange that ranks companies according to their liquidity coefficient (1: the company is included in the BET 20 index; 0: the company is not included in the BET 20 index). In addition, the second criterion used to determine the sample is the company's compliance with the inclusion in the reporting, in one way or another, and, implicitly, the inclusion of these companies in the list of companies that have been assigned ESG scores by entities specialising in this type of assessment. Therefore, the sample consists of eight companies: two in the heavy industry/metallurgy sector (Alro Slatina and Teraplast); two from the pharmaceutical and medical industry (Antibiotice and Medlife); one from the banking/financial sector (Banca Transilvania and BRD) and one from the energy/natural resources category (OMV Petrom and S.N.G.N. Romgaz). In order to choose the reference period on which to base the analysis, compliance with the availability of ESG indicator data was taken into account. Therefore, the financial and other non-financial indicators were adjusted according to the respective period (either 2021 or 2022).

The data used is collected from the BVB website, namely from the annual financial statements of the companies analysed, but also from their own websites and from the websites of the rating companies. Thus, in order to collect data for the analysis of non-financial indicators, the BVB company was chosen, which published ESG scores, namely through the BVB Research Hub platform. At the same time, in order to assess the quality of the structuring and presentation of ESG information by the company, Cometis AG, a German company that presents this information through the Global ESG Monitor (GEM scores) project, was chosen.

Table 1 presents the eight companies listed on the BVB and selected for analysis:

Table 1. Companies analysed

Company	Abbreviation	CAEN	Field of activity
ALRO SLATINA	ALR	2442	Aluminium metallurgy.
ANTIBIOTICS	ATB	2110	Manufacture of basic pharmaceutical products
TRANSYLVANIA BANK	TLV	6419	Other monetary intermediation activities.
BRD - SOCIETE GENERALE GROUP	BRD	6419	
MEDLIFE	M	8622	Specialised medical assistance activities.
OMV PETROM	SNP	610	Crude oil extraction
S.N.G.N. ROMGAZ	SNG	620	Natural gas extraction .
TERAPLAST	TRP	2221	Manufacture of plastic plates, sheets and tubes.

Source: Own processing based on information from the Bucharest Stock Exchange

The group of companies presented is characterised by its membership in different economic sectors and also by its significant share in the domestic capital market, aspects that form the basis for analysing the relationship between financial performance and sustainable conduct (ESG). The diversity implied by the industry in which they operate, the number of employees, their involvement in ESG terms and other determining aspects, provides a favourable analytical framework for reviewing the extent to which the assumption of ESG characteristics and conditions influences the financial performance of companies listed on the BVB.

Among the financial indicators, representative financial performance indicators (return on equity ROE and return on assets ROA) and a financial risk indicator (debt ratio GI) were selected for the analysis.

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Table 2 lists and describes the non-financial indicators used in the analysis. The GEM score is calculated by Cometis AG according to the GEM methodology, and the other non-financial indicators are calculated by Sustainalytics based on its own methodology.

Table 2. Non-financial indicators analysed in the study

Indicator name	Symbol	Indicator description
ESG Risk Score	*ESG RS*	Measures a company's exposure to ESG-related risks and its ability to manage them. Possible scores are: negligible score: 0-10; low score: 10-20; medium score: 20-30; high score: 30-40; severe score: above 40. A low score corresponds to low risk, and a high score corresponds to high risk.
Management	*MN*	Shows how well the company manages ESG risks, based on practices, policies, systems, and audit reports. A high score on this indicator signifies proper risk management.
Momentum	*MM*	Measures the fluctuation of the ESG score over time. Positive score: deterioration in ESG performance; Neutral score: insignificant changes; Negative score: improvement in ESG terms.
Exposure	*EXP*	Measures the company's exposure to ESG risks specific to the industry in which it operates. It is rated on a scale from 0 to 100. High values: highly exposed to risk.
Global Entrepreneurship Monitor Score	*GEM Score*	The methodology includes six interrelated dimensions relating to the transparency of non-financial reporting. These dimensions are: positive/negative impact, comparability, accuracy, timeliness, assurance of information credibility through external audit, and relevance. The score ranges from 0 to 100.

Source: Own processing

The structuring of relevant financial and non-financial indicators forms the methodological basis of the analytical approach.

III.RESULTS AND DISCUSSION

In order to demonstrate the purpose of the research, namely the existence of a link between financial performance and sustainable behaviour (ESG), the analysis aims to achieve each objective in stages.

The first objective is to calculate and interpret financial indicators, as financial performance is an essential pillar in the evaluation of companies. In order to obtain a complete picture, it is important to analyse several fundamental financial indicators, namely: ROE, which shows how efficiently equity capital is used; ROA, which reflects the profitability of assets and the degree of indebtedness; and GI, an indicator of financial risk and capital structure. These indicators allow financial sustainability to be correlated with ESG performance. From the sample of eight companies, financial and banking institutions (BRD and Banca Transilvania) will be excluded because they follow regulations and standards specific to the banking sector and it is not relevant to include them with other companies that have different reporting standards. Therefore, the most relevant financial indicators are presented in Table 3:

Table 3. Financial indicators

Company	Reference year	Financial indicators			Score				Final ranking
		ROE	ROA	GI	(minimum: 1; maximum: 6)			(minimum: 3; maximum: 18)	
					1	2	3	1+2+3	
		%			ROE	ROA	GÎ		
ALRO SLATINA	2022	3,281	12,262	1,268	1	3	2	6	6
ANTIBIOTICS	2021	4,949	3,344	0.372	2	1	4	7	5
MEDLIFE	2021	20,206	5,172	2,199	4	2	1	7	4
OMV PETROM	2022	26.282	17.945	0.107	6	6	6	18	1
S.N.G.N. ROMGAZ	2022	25.145	17.455	0.175	5	5	5	15	2
TERAPLAST	2022	11,347	15,290	0.532	3	4	3	10	3

Source: Own processing based on data from the Bucharest Stock Exchange

The financial performance of the six companies analysed reflects the influence of their sector of activity on their financial structure and results. OMV Petrom and Romgaz (energy and natural resources) enjoy stable positions, with high ROE and ROA and low debt levels, thanks to constant demand and their own resources. ALRO Slatina and Teraplast (heavy industry and metallurgy) face volatility in raw material prices and energy costs, which increases their dependence on external financing and affects their financial stability. Medlife and Antibiotice (pharmaceutical and medical sector) adopt different strategies: Medlife pursues rapid growth supported by debt

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for expansion and investment, while Antibiotice maintains a balanced financial structure with more prudent investments, focusing on stability.

The second objective is to *present the ESG indicators* in Table 4 and then interpret them by sector of activity in Table 5.

Table 4. ESG scores according to BVB analysis

Company	BVB symbol	Reporting date	ESG Risk Score		Management		Momentum Score	Momentum Progress		Exposure		Score	Ranking
				1		2		3			4	1+2+3+4	
ALRO SLATINA	ALR	01.09 2023	29.4	**1**	49.4	**3**	-5.7	Positive	**7**	53.4	**3**	1+3+7+3 **=14**	6
ANTIBIOTICS	ATB	04.12 2022	22.2	**5**	58.8	**5**	-2.2	Positive	**6**	49	**4**	5+5+6+4 **=20**	3
TRANSYLVANIA BANK	TLV	20.06 2022	17	**6**	56.4	**4**	n/a	Neutral	**2**	36.8	**7**	6+4+2+7 **=19**	4
BRD - SOCIETE GENERALE GROUP	BRD	02.11. 2022	14.4	**8**	69.4	**8**	-	Positive	**4**	41.3	**6**	8+8+4+6 =	1
MEDLIFE	M	22.12 2022	16.7	**7**	28.9	**1**	-1.6	Positive	**5**	23	**8**	7+1+5+8 **=21**	2
OMV PETROM	SNP	28.11. 2023	28.9	**3**	65.9	**7**	+2	Negative	**1**	66.1	**1**	3+7+1+1 **=12**	8
S.N.G.N. ROMGAZ	SNG	09.11. 2023	29	**2**	61.8	**6**	-7.5	Positive	**8**	61.1	**2**	2+6+8+2 **=18**	5
TERAPLAST	TRP	07.12 2023	23.4	**4**	46.5	**2**	-0.2	Positive	**3**	41.6	**5**	4+2+3+5 **=14**	7

Source: website BVB Research Hub

Table 5 summarises the interpretation of the ESG results presented above, providing an overview of how the analysed companies in relevant economic sectors are positioned in terms of sustainability. ESG scores are assessed in the specific context of each field of activity, highlighting how the nature of the industry influences risks and the ability of companies to manage them effectively:

Table 5. Interpretation of ESG scores by sector of activity

Field of activity	Company	ESG RS	EXP	MN	MM	Comments
Financial and banking sector	BRD-GROUPE SOCIETE GENERALE	14.4	41.3	69.4	-	Low risk, excellent management; typical exposure to the sector; balanced ESG profile, investor-friendly.
	BANCA TRANSILVANIA	17	36.8	56.4	n/a	Moderate exposure, solid management; sector with better controlled ESG risks; neutral momentum indicates ESG stability in the sector.
Medical and pharmaceutical	MEDLIFE	16.7	23	28.9	-1.6	Low exposure, low risk; healthcare sector with lower operational ESG risks; moderate improvement.
	ANTIBIOTICS	22.2	49	58.8	-	High exposure; moderate risk; industry with specific environmental and social risks; effective management; negative momentum, reflecting progress in sustainability.
Heavy industry and metallurgy	TERAPLAST	23	41.6	46.5	-0.2	Moderate-high exposure, medium risk; industry with significant environmental impact; decent governance, slow but steady progress in risk management.
	ALRO SLATINA	29.4	53	49.4	-5.7	High exposure and risk, highly impactful metallurgical industry; average management; strong negative momentum signals rapid and significant improvements.
Energy, oil and gas	OMV PETROM	28.9	66.1	65.9	+	Very high exposure, high risk inherent to the industry; strong management; positive momentum indicates a slight recent deterioration.

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	S.N.G.N. ROMGAZ	29	61.1	61.8	-	High exposure and risk specific to the sector; solid management; marked negative momentum indicates a real and significant willingness to change (excellent score).

Source: Own processing based on data from Table 3

The third objective looks at how ESG non-financial indicators vary depending on the field of activity of listed companies. ESG has become an essential framework for assessing the sustainable performance of companies, and analysing differences between sectors provides important insight into the impact of industry on ESG risks and policies. By applying the Single Factor ANOVA test, we sought to determine the statistically significant differences between the ESG indicator averages for various groups. This test analyses whether the variations observed between sectors are greater than those within each sector, thus suggesting a real influence of the field of activity on ESG performance. Therefore, the following tables (Table 4 - Table 13) summarise the main results and interpretations of the ANOVA analysis applied to ESG scores, highlighting whether there are significant differences between fields of activity and ESG results:

Table 6. ANOVA results for ESG RS

SUMMARY

Groups	*Count*	*Sum*	*Average*	*Variance*
FINANCIAL AND BANKING SECTOR	2	31.4	15.7	3.38
MEDICAL AND PHARMACEUTICAL SECTOR	2	38.9	19.45	15.125
HEAVY INDUSTRY AND METALLURGY	2	52.8	26.4	18
ENERGY, OIL AND GAS	2	57.9	28.95	0.005

ANOVA for ESG RS

Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	224.585	3	74.861	8,201	0.034	6,591
Within Groups	36.51	4	9.127			
Total	261.095	7				

Source: Own processing in Excel based on data from previous tables

Table 7. Interpretation of ANOVA results for ESG RS

Component	Interpretation
Variation between groups	Significant differences between domains (SS = 224.585), the domain influences ESG risk.
Variation within groups	Low variability within domains (SS = 36.51), consistent scores in each sector.
F	F = 8.20 indicates clear differences between domains, well above internal variation.
P-value	0.0349 < 0.05 → differences are statistically significant.
Critical F	6.591 < 8.20 → confirms the significance of the results.
Conclusion	ESG risk varies significantly by sector, with higher values in energy and heavy industry, lower in finance and healthcare.

Source: Own processing based on Excel results

The analysis shows that ESG risk differs significantly between sectors, being higher in industries with a high environmental impact, such as energy and heavy industry, and lower in the financial and medical sectors. These results confirm that the level of ESG risk is influenced by the specific nature of the activity and the degree of exposure to environmental and social factors.

Table 8. ANOVA results for EXP

SUMMARY

Groups	*Count*	*Sum*	*Average*	*Variance*
FINANCIAL AND BANKING SECTOR	2	78.1	39.05	10.125
MEDICAL AND PHARMACEUTICAL SECTOR	2	72	36	338
HEAVY INDUSTRY AND METALLURGY	2	95	47.5	69.62
ENERGY, OIL AND GAS	2	127.2	63.6	12.5

ANOVA for EXP

Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*

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Between Groups	918.313	3	306,104	2,845	0.169	6,591
Within Groups	430,245	4	107,561			
Total	1,348,558	7				

Source: Own processing in Excel based on data from previous tables

Table 9. Interpretation of ANOVA results for EXP

Component	Interpretation
Variation between groups	Exposure to ESG risks is considerably higher in sectors with a high environmental impact, such as energy and heavy industry, while the financial and medical sectors show much more moderate exposure.
Variation within groups	Internal variability is low, indicating consistency in the scores for each sector.
F-statistic P-value Critical F	Although the differences are not statistically significant (F=2.85, p=0.169), they nevertheless reflect a clear trend towards increased exposure in higher-risk sectors.
Conclusion	Heavy industry and the energy sector involve high ESG risks due to their environmental impact (pollution, emissions), strict regulations and social exposure. High-risk areas require active ESG risk management, while low-exposure sectors present lower and more homogeneous risks.

Source: Own processing based on Excel results

Exposure to ESG risks is more pronounced in industries with high environmental impact, such as energy and heavy industry, due to pollution and strict regulations. In contrast, the financial and healthcare sectors have lower exposure and more homogeneous risks, reflecting better management of sustainability issues.

Table 10. ANOVA results for MN

SUMMARY

Groups	*Count*	*Sum*	*Average*	*Variance*
FINANCIAL AND BANKING SECTOR	2	125.8	62.9	84.5
MEDICAL AND PHARMACEUTICAL SECTOR	2	87.7	43.85	447.005
HEAVY INDUSTRY AND METALLURGY	2	95.9	47.95	4,205
ENERGY, OIL AND GAS	2	127.7	63.85	8,405

ANOVA for MN

Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	628.464	3	209.488	1,540	0.335	6,591
Within Groups	544,115	4	136,028			
Total	1,172,579	7				

Source: Own processing in Excel based on data from previous tables

Table 11. Interpretation of ANOVA results for MN

Component	Interpretation
Variation between groups	The average ESG risk management scores vary moderately between sectors. Heavy industry has the best management (47.95) compared to the financial, energy and medical sectors.
Variation within groups	Internal variability is low, indicating consistency in the scores for each sector.
F	F = 1.54 indicates insufficient variation between groups for statistical significance.
P-value	0.334 > 0.05, so the differences between domains are not statistically significant.
Critical F	6.59 represents the significance threshold; the calculated F is much smaller, confirming the absence of significant differences.
Conclusion	Although the differences are not statistically significant, heavy industry has the best ESG risk management, indicating greater attention to control practices. All sectors need to continue to develop their ESG risk management systems.

Source: Own processing based on Excel results

The results show that there are no significant differences between sectors in terms of ESG risk management, suggesting a relatively balanced approach at sector level. However, heavy industry stands out for its more rigorous risk management, indicating a greater concern for control and sustainability, an aspect that should be strengthened in other sectors as well.

Table 12. ANOVA results for MM

SUMMARY

Groups	*Count*	*Sum*	*Average*	*Variance*

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FINANCIAL AND BANKING SECTOR	2	1	0	0
MEDICAL AND PHARMACEUTICAL SECTOR	2	3.8	1.9	0.1
HEAVY INDUSTRY AND METALLURGY	2	5.9	2.9	15.125
ENERGY, OIL AND GAS	2	5.5	2.75	45.125

ANOVA for MM

Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	7.445	3	2.482	0.163	0.916	6,591
Within Groups	60.93	4	15.233			
Total	68.375	7				

Source: Own processing in Excel based on data from previous tables

Table 13. ANOVA interpretation for MM

Component	Interpretation
Variation between groups	The average MM scores are similar across sectors, indicating similar ESG trends. Heavy industry (2.95) and energy (2.75) have slightly better scores than the financial (0.5) and medical (1.9) sectors.
Variation within groups	Internal variability is high in heavy industry and energy (variances of 15.125 and 45.125), suggesting uneven ESG developments among companies in the same sectors.
F-statistic	F = 0.16 indicates a very small difference between means, which is statistically insignificant.
P-value	0.916 > 0.05 → there are no statistically significant differences between sectors in terms of ESG performance.
Critical F	6.59 is the significance threshold, clearly exceeded by F critical, confirming the absence of relevant differences.
Conclusion	Although the differences are not statistically significant, the areas with the best scores are heavy industry (2.95) and energy/oil (2.75), indicating remarkable progress towards sustainability. Although structurally exposed to ESG risks, these sectors show a firm commitment to improvement. In contrast, the financial (0.5) and medical (1.9) sectors score lower, suggesting slower progress or stagnation in the integration of ESG practices. These results reflect both the specific nature of the activity and the different pace of adaptation to sustainability requirements.

Source: Own processing based on Excel results

The results show that there are no significant differences between sectors in terms of ESG score evolution, suggesting similar development trends. However, the heavy and energy industries show greater involvement in improving ESG performance, while the financial and medical sectors show slower progress, reflecting different rates of adaptation to sustainability requirements.

ANOVA analysis confirms that ESG risk (ESG RS) and risk exposure (EXP) vary significantly between sectors, being higher in industries with a high structural impact – energy, oil and gas, and heavy industry – where exposure is inherent to the activity. In these areas, however, ESG management is better developed, suggesting a conscious and organised response to specific challenges. For example, Romgaz and OMV Petrom operate in high-risk conditions but demonstrate a commitment to adaptation through solid governance and measurable ESG progress, particularly Romgaz. In contrast, the financial sector (BRD, Banca Transilvania) has lower risks and exposures, supported by mature management, which outlines a balanced and attractive ESG profile for investors. In the medical field, ESG scores are moderate, but companies such as Antibiotice and Medlife show negative results, reflecting consistent progress in integrating sustainability criteria. Heavy industry, although subject to high risks, is showing a significant pace of improvement, a sign of active engagement and progressive alignment with current ESG requirements.

The fourth objective is to investigate the relationship between financial indicators (ROE, ROA, debt ratio) and non-financial indicators, which reflect ESG risk management, performance dynamics and reporting quality. Table 13 combines both financial and non-financial indicators for the purposes of this analysis:

Table 14. Financial and non-financial indicators

Company	Financial indicators				Non-financial indicators					
	ROE	ROA	GÎ	1+2+3	ESG Risk Score	Management	Momentum	Exposure	GEM Score	4+5+6+7+8
	%									
	1	2	3		4	5	6	7	8	
ALRO SLATINA	3,281	12,262	1,268	6	29.4	49.4	-5.7	53.4	73	5
ANTIBIOTICS	4.949	3.344	0.372	5	22.2	58.8	-2.2	49	65	1
MEDLIFE	20.206	5,172	2,199	4	16.7	28.9	-1.6	23	16	2
OMV PETROM	26.282	17.945	0.107	1	28.9	65.9	+2	66.1	75	3

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SNGN ROMGAZ	25.145	17.455	0.175	2	29	61.8	-7.5	61.1	60	4
TERAPLAST	11.347	15.290	0.532	3	23.4	46.5	-0.2	41.6	29	6

Source: Own processing based on previous tables

After combining these two types of indicators, it appears that one of the companies, namely ALRO Slatina, ranks last in terms of financial indicators and second to last in terms of non-financial indicators. In a radically opposite situation is OMV Petrom, which leads in financial indicators and has remarkable scores (3 out of 6) in non-financial indicators.

The analysed data demonstrates *the purpose of the research:* there is a relationship of mutual influence between financial performance and sustainable behaviour (ESG). However, this relationship is not uniform – it depends on the sectoral context, investment capacity and strategic adaptability of each company. While OMV Petrom manages to integrate sustainability as a competitive advantage, ALRO faces external constraints that weaken the positive effects of ESG on financial performance. The overall conclusion is that ESG does not automatically generate profit, but it does provide resilience and support long-term performance.

IV. CONCLUSION

The non-financial dimension of corporate activity should not be viewed as an isolated endeavour, but as an integral part of a sustainable and responsible business model capable of creating value not only for shareholders, but also for society as a whole. The analysis carried out in the study highlights that the relationship between financial performance and ESG (environmental, social and governance) components is complex, characterised by dynamic interdependence, but not linear or universally valid.

The integration of sustainability principles into corporate strategy is significantly influenced by the financial strength of the company, which provides the resources necessary for the responsible implementation of ESG actions. In other words, a financially successful company has a greater capacity to invest in environmental projects, social development and ethical governance, thereby strengthening its reputation and long-term competitive advantage. ESG does not replace economic fundamentals, but complements them, providing a strategic perspective focused on innovation, transparency and responsibility. Financial performance and sustainability are not divergent directions, but two complementary dimensions of the same corporate reality. They intertwine to ensure the resilience and adaptability of companies in the face of economic, climate and social risks, contributing to sustainable growth and strengthening stakeholder confidence.

Empirical data from the study confirms the existence of an interdependent relationship between ESG performance and financial performance, but the intensity and meaning of this relationship varies depending on the operational context, investment capacity and the degree of strategic integration of sustainability into the business model. ESG does not automatically generate immediate profitability, but it does ensure greater financial and reputational resilience, helping companies maintain their stability and competitiveness in the long term.

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